

# Functions of Certificate of Need

## ▣ Review at entry

- ▣ Assure that entrants meet ownership, financial, and quality standards; no ongoing review
- ▣ Review expansion into additional jurisdictions

## ▣ Review capital expenditures

- ▣ Use need projections to “right-size” capacity, capital investment
- ▣ No “bricks and mortar” and can expand by hiring additional staff

## ▣ Decrease competitive pressures faced by the provider

- ▣ Competition for clients
- ▣ Competition for staff

# Key Items to Retain

- ▣ Business Plan
  - ▣ Executive and administrative structure
  - ▣ Staffing
  - ▣ Projection of revenues and expenses
  - ▣ Quality assurance program
  - ▣ Discharge planning
  - ▣ Marketing plan
- ▣ Sufficient capitalization
- ▣ Commitment to data reporting
- ▣ Applicant management history

# Standards addressing quality, financial solvency and data collection

## COMAR 10.24.08.10A(6), Quality

An applicant shall develop an ongoing quality assurance program that includes compliance with all applicable federal and state quality of care standards, and provide a copy of its program protocols when it requests first time approval as required by COMAR 10.24.01.18.

## COMAR 10.24.08.10A(10), Financial Solvency

An applicant shall document that it can comply with the capital reserve and other solvency requirements specified by the Centers for Medicare and Medicaid Services (CMS) for a Medicare-certified home health agency.

## COMAR 10.24.08.10A(11), Data Collection and Submission

An applicant shall demonstrate the ability to comply with all applicable federal and State data collection requirements including, but not limited to, the Commission's Home Health Agency Annual Report and the CMS's Outcome and Assessment Information Set (OASIS).

## Other CON Criteria

- ▣ Viability of the proposed project
  - Audited financial statements or documentation of adequacy of financial resources
  - Analysis of probable impact on costs and charges
  - Detailed list of proposed patient charges
- ▣ Manpower projections
  - Sources available for recruitment
  - Plans for recruitment and retention
  - Report on average vacancy rate and turnover rates (for existing agencies)

# Manpower Information

Position Title	Current No. of FTEs		Change in FTEs (+/-)		Average Salary		Total Salary Expense	
	Agency Staff	Contract Staff	Agency Staff	Contract Staff	Agency Staff	Contract Staff	Agency Staff	Contract Staff
Administrative Personnel								
Registered Nurse								
Licensed Practical Nurse								
Physical Therapist								
Occupational Therapist								
Speech Therapist								
Home Health Aide								
Medical Social Worker								
Other (specify)								

# History and Statement of Responsibility

- **Management structure:** Owners; ownership interest; entities owned or controlled by each person
- **History:** Is applicant now involved or ever been involved in ownership, development, or management of health care facility/program?
- **Disciplinary action:** Has Maryland license or certification of applicant ever been suspended or revoked or subject to disciplinary action?
- **State and federal legal issues:** Has applicant ever been found out of compliance with Maryland or federal legal requirements for provision of, payment for, or quality of health care services?
- **Criminal history:** Has applicant ever pled guilty to, or been convicted of, a criminal offense connected to ownership, development, or management of health care facility?